

Testimony on HB 5002  
Senate Committee on Reform, Restructuring, and Reinventing  
November 22, 2011

Good afternoon, Mr. Chair and committee members. My name is Carl Alden and I am the Insurance and Governmental Relations Director for the Michigan Association of Chiropractors (MAC). The MAC is Michigan's professional association for chiropractors and one of the largest in the nation. Thank you for this opportunity to speak on HB 5002.

The MAC strongly opposes the bill in its current form due to the proposed change to the "ten day rule." Currently, an employer may require the employee who was injured in an accident to treat with the health care provider of the employer's choice. After the first ten days of treatment, the employee may treat with a provider of their choice.

HB 5002 changes the ten day rule to a 45 day rule, with the patient not being able to treat with their provider until after 45 days from the inception of treatment. This will prevent most patients from having any meaningful input into their treatment and recovery. It will also eliminate many providers from ever treating a workers' compensation patient.

It is very predictable that employers, or more often, the insurance companies, will only allow patients to treat with clinics that have entered into relationships with the insurers or employers, and that are more beholden to the payer as opposed to their patient. This will turn the provider/patient relationship on its head.

The major concern for any provider should always be the best and most efficacious care for the patient. When a provider becomes beholden to anyone other than the patient, treatment in the best interests of the patient is much less likely to occur or be secondary to what the insurance company perceives is in their best financial interest.

This will be especially hard on patients who seek treatments from a more non-traditional provider such as a chiropractic physician. Even under today's law, patients who wish to take advantage of the conservative, drug free, and effective treatment a chiropractor can provide, have barriers placed in their path. Barriers such as being forced away from or refused chiropractic care for the first ten days. Even after the first ten days, patients are often told by the insurer that they will not pay for treatment by a chiropractor. This is of course, untrue, but results in many patients feeling that they cannot risk seeking the treatment that is best for them.

This prejudicial behavior is common and does not help in keeping the workers' compensation system running efficiently. Chiropractic care is often the best option for a patient and the company. Many studies have proven the efficacy and cost effectiveness of chiropractic care. I have included information on many of these studies.

Included is one entitled, "ISSLS Prize Winners: Early Predictors of Chronic Work Disability" (Spine Volume 33, Number 25, 2008). This study looked at risk factors for a back injury to become a chronic disability. It states, "Workers whose first visit for the injury was to a chiropractor had substantially better outcomes..." and "...it is also possible that chiropractic care was more effective in improving pain and disability and/or promoting return to work." Many other studies support the value of chiropractic, yet unreasonable barriers continue to exist.

HB 5002 will worsen this situation by adding cost to the system, harming the patient, and very possibly slowing their return to work.

My members question why it is necessary to make the change from 10 days to 45 days at all. What problem does it address? According to the Workers Compensation Research Institute, a non-profit organization that studies workers' compensation issues across the country and compares the systems between various states, Michigan's workers' compensation health care is a great value. Among their findings:

- Medical cost in Michigan are among lowest of the study states
- Utilization of many services in Michigan was typical, even when the prices were lower in other states
- Medical costs in Michigan grew slower than other states between 2007 and 2008
- Growth of medical costs/claim since 2005 was the slowest among non-reform states
- MI average payment to chiropractors was lower than in many study states

The success of Michigan's current system shows that making a change is not in the best interests of employers, workers, Michigan, and ultimately the insurers.

A second concern of HB 5002 is on page 19 beginning on line 10 and running through line 13. The proposed addition reads, "**ATTORNEY FEES RELATED TO MEDICAL EXPENSES ARE CHARGEABLE TO EITHER THE EMPLOYEE OR THE MEDICAL PROVIDER, OR BOTH, BUT ARE NOT CHARGEABLE TO THE EMPLOYER OR CARRIER.**" This addition will allow insurers to unjustly deny claims.

Health care is one of the few businesses where service is provided with no assurance of payment. The cost of many services, such as chiropractic or needed support orthotics is not high. However, payment for those services and products is of great importance to the providers. Providers cannot provide quality care, by utilizing their experience, time and skills in treating for no reimbursement. No business can.

If added, this sentence would allow insurers to refuse justified claims, in effect saying, "If you don't like it, sue us" knowing that no business will fight a legal battle if what they stand to collect is less than the cost of that battle. Soon providers will not be willing to provide anything but basic services to the detriment of patients, employers, and the state.

We ask that you make to changes to HB 5002. First on page 18, line 14 the section that reads "after ~~10~~ **45** days" please strike **45** and restore 10. Zero days would be better, but we will be satisfied with 10 days.

Secondly, we ask that you remove the sentence on page 19 beginning on line 10 reading, **"ATTORNEY FEES RELATED TO MEDICAL EXPENSES ARE CHARGEABLE TO EITHER THE EMPLOYEE OR THE MEDICAL PROVIDER, OR BOTH, BUT ARE NOT CHARGEABLE TO THE EMPLOYER OR CARRIER."**

Thank you for allowing my testimony and I will be happy to answer any questions you may have.